

MEMORANDUM TO: Chairman Jackson

FROM: L. Joseph Callan
Executive Director for Operations

SUBJECT: RESPONSE TO ISSUES RAISED WITHIN THE SENATE AUTHORIZATION CONTEXT AND JULY
17, 1998 STAKEHOLDER MEETING

Attached for your information is the staff's plan of short- and long-term actions to respond to issues raised during the July 30, 1998 hearing before the Senate Subcommittee on Clean Air, Wetlands, Private Property, and Nuclear Safety and the July 17, 1998 Commission meeting with stakeholders.

As you noted in your August 7, 1998, memorandum to me, concerns were raised about several issues: the predictability, objectivity, and timeliness of NRC decisions; the focus of NRC activities; the quality of NRC-licensee interactions; the implementation of NRC programs; and the size of the NRC staff. The Staff Requirements Memorandum on the July 17, 1998 Public Meeting on Stakeholders' Concerns (SRM M980717A) dated August 18, 1998, provided possible improvements in NRC activities that were identified during the public meeting. The SRM contains fifteen activities, most of which would address the concerns expressed by the Senators.

The attached plan's organization follows the outline of your testimony for the July Senate Oversight Subcommittee hearing in order to facilitate preparation of testimony for the upcoming hearing in January 1999. By reference to the former testimony, the staff will be able to show the progress made by the NRC toward responding to the concerns of the Senators. All of the items and issues in the August 7, 1998, memorandum have been addressed. The improvements in NRC activities described in SRM M980717A have also been addressed, with the exception of item 12, "The Establishment of an Assessment Team to Improve the Regulatory Process," which will be addressed separately. In light of the scope of the tasks outlined in this plan, there will be an impact upon the staff's ability to complete certain activities and previously assigned projects. As we proceed with the implementation of the plan and complete the associated updates to the agency's planning and budgeting process, those items requiring deferral or termination, in light of higher priorities, will be identified and communicated to senior management. Such an example is the suspension of the Systematic Assessment of Licensee Performance (SALP) process, which is proposed in item III.A.

The plan should be considered a living document which will be updated on a periodic basis and focus on improving NRC's regulatory processes in several key areas. These efforts will demonstrate our commitment to regulatory effectiveness. The objectives stated for each section of the plan are outcome-oriented and the progress toward the associated milestones will be actively monitored by the senior managers. Further, a number of tasks within the plan involve interactions with our external stakeholders, not only to understand their concerns, but also to achieve agreement on issues of scope and schedule for industry efforts.

I note, in particular, that the staff views the development of a revised plant performance assessment process as pivotal. Our success in improving NRC's enforcement and inspection policies is closely linked to this effort. The outcomes will be a more efficient and effective assessment process, a risk-informed baseline inspection program, and a less burdensome enforcement policy. In addition, licensing activities will be improved by streamlining the license renewal, adjudicatory hearing and license transfer processes. Lastly, the plan highlights specific areas for improvement including the agency's transition to a risk-informed framework, revisions to 10CFR50.59, and restructuring the line organization.

Managers assigned responsibility in the action plan will be accountable for the timely completion of the tasks. Because of the need to affect change in the short term, I will review the progress with senior managers in each responsible office on a frequent basis. As we implement these tasks any emergent policy issues will be brought promptly to the Commission. The staff will provide informal briefings to the Chairman and Commissioners on a periodic basis on the key focus areas, highlighting the important decision points during the development of new processes in order to ensure that the final products meet the Commission's expectations.

The attached plan is aggressive in content and schedule. Many of the planned tasks, such as enforcement and reactor licensee performance assessment, will require fundamental change in the way NRC conducts its business. As a consequence, extensive two-way communication will be required to ensure that a consistent, coherent message reaches the staff about the expectations for implementation of the new processes. This is one of the challenges that I will focus on as the process changes are formulated.

SECY, please track.

Attachment: As stated

cc: Commissioner Diaz
Commissioner McGaffigan

ATTACHMENT

STAFF RESPONSE TO TASKING MEMORANDUM AND STAKEHOLDER CONCERNS

I. TOPIC AREA: Risk-Informed and Performance-Based Regulation

SES Managers: Gary Holahan, Director, DSSA/NRR and Thomas King, Director, DST/RES

A. Specific Issue: Evaluation of Industry Proposals and Rulemaking

Objective: The objectives are enhancing safety decisions, efficiently utilizing NRC resources, reducing unnecessary conservatism, as well as soliciting industry insights.

PRIOR TO JANUARY 28, 1999		
Milestone	Date	Lead
1. Conduct Licensing workshop to discuss streamlining the review process for risk-informed (RI) applications	07/98C	G. Kelly, DSSA
2. Conduct Periodic PRA Steering Committee Meetings	8/20/98C (Monthly)	RES/DSSA
3. Establish agreement with industry on formation of industry PRA steering committee to interface with NRC Steering Committee and an industry licensing panel to interface with the NRC RI Licensing Panel.	8/98C	RES
4. Meet w/South Texas Project on industry perspective to develop lessons learned	09/98	G. Kelly, DSSA
5. Follow-up to licensing workshop w/UCS/NEI	TBD	M. Caruso, DSSA
6. Conduct discussions with ACRS on risk-informed, performance-based Regulation initiatives	8/98-12/98	R. Barrett, DSSA/ M. Cunningham, RES
7. Request ACRS letter on staff options paper	8/98	R. Barrett, DSSA
8. DSI-13 Role of Industry stakeholder meeting	9/1/98	J. Craig, RES
9. Reach agreement with NEI on scope, schedule, approach and groundrules for NEI Whole Plant Study (tasks 1-6)	9/98	M. Drouin, RES
10. Issue paper to Commission identifying options on modifying Part 50 to be risk-informed (including definition of "safety" and backfitting implications)	1/99	R. Barrett, DSSA/ M. Cunningham, RES
11. Issue safety evaluation on WOG ISI topical report	01/99	S. Ali, DE RES
12. Meeting on NEI pilot plant preliminary risk results	TBD	M. Drouin, RES

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Milestone	Date	Lead

13. Workshop on insights from NEI Whole plant study risk results and options for using them to enhance risk-informed regulation	TBD	M. Drouin, RES
14. Develop Rulemaking Commission paper based on Commission response to options paper (including consideration of NEI Whole Plant Study (tasks 1-6))	TBD	R. Barrett, DSSA/ M. Cunningham, RES
15. Issue safety evaluation on EPRI ISI topical report	early CY99	S. Ali, DE RES

BEYOND JUNE 30, 1999		
Milestone	Date	Lead
16. Endorse ASME RI-ISI code cases via Regulatory Guide 1.147, contingent upon ASME completing code case by 6/31/99.	3/00	D. Jackson, RES S. Ali, DE

Comments:

2. Committee has met on 7/29/98 and 8/20/98. Charter includes:

- Coordination of inter-office PRA Implementation Plan activities
- Resolution of key issues
- Identification of new activities
- Interaction with public and industry

3. Meetings will be held with NEI pilots and lead plant pilots (ISI, task 0)

3-5. PRA Steering Committee meeting required.

9, 12, 13 and 14 . Schedule depends upon NEI pilot project schedules which at present are TBD. A meeting with NEI is tentatively scheduled for 8/28/98 to finalize the schedule.

11 and 15. Risk-informed licensing panel (RILP) meetings are required.

1-6, 10. Some items budgeted in DSSA, such as support for SMMs, use of PRA in generic issue resolution, events assessment (except for high risk events) participation in planned or reactive inspections, and quarterly updating of PRA plan (move to annually) may be deferred in order to meet the above schedules in developing an options paper. Work suggested to be dropped to support these milestones is the modification of Part 52 regarding use of PRAs beyond Design Certification. RES work on proposed revision to Safety Goal Policy will be deferred from 3/99 to 7/99. Status report on this effort will be deferred from 12/98 to 3/99.

Additional Activities: The Center for Strategic and International Studies (CSIS) is conducting a study of the NRC regulatory process. Chairman Jackson and Commissioner McGaffigan are members of the Steering Committee. Ashok Thadani is on the working group. This activity will involve several meetings over the next several months and the CSIS schedule calls for a final report by 4/15/99.

I. TOPIC AREA: Risk-Informed and Performance-Based Regulation

SES Manager: Gary Holahan, Director, DSSA/NRR

B. Specific Issue: Pilot Applications

Objective: The goal of the pilot programs is to complete first of a kind risk-informed licensing reviews such that lessons learned may be utilized for future staff reviews. The pilot applications have provided a forum for developing guidance documents for both the staff and the industry.

PRIOR TO JANUARY 28, 1999		
Milestone	Date	Lead

1. Risk-Informed Licensing Panel (RILP) Meetings - assists in focusing management attention, as necessary, to identify other pilots and ensure lessons learned are developed from pilots	Ongoing	G. Holahan, DSSA
2. Issue safety evaluation on Comanche Peak IST pilot	8/14/98C	D. Fischer, DE DSSA support
3. Issue safety evaluation on Surry ISI pilot	12/31/98	S. Ali, DE DSSA support
4. Issue safety evaluation on Vermont Yankee ISI pilot	11/30/98	S. Ali, DE DSSA support
5. Issue safety evaluation on ANO-2 ISI pilot	12/31/98	S. Ali, DE DSSA support
6. Issue safety evaluation for ANO-2 H ₂ monitoring	9/98	M. Snodderly, DSSA

BEYOND JUNE 30, 1999		
Milestone	Date	Lead
7. Issue safety evaluation on ANO-1 ISI pilot	07/99	S. Ali, DE

Comments:

All licensing actions dates are contingent upon timely, technically acceptable industry responses to staff inquiries.

3, 4, 5 and 6. Risk-informed Licensing Panel (RILP) meetings required.

I. TOPIC AREA: Risk-Informed and Performance-Based Regulation

SES Manager: Gary Holahan, Director, DSSA, NRR

C. Specific Issue: Plant-Specific Licensing Reviews

Objective: The use of probabilistic risk assessment in risk-informed decision making for changes to plant-specific licensing basis is intended to enhance safety decisions, efficiently utilize NRC resources and reduce unnecessary conservatism. The goal is to complete first of a kind risk-informed licensing reviews such that lessons learned may be utilized for future staff reviews.

PRIOR TO JANUARY 28, 1999		
Milestone	Date	Lead
1. Establish Lead PM for risk-informed licensing actions	Complete	J. Harold, DRPE
2. Risk-Informed Licensing Panel (RILP) Meetings - assists in focusing management	Ongoing	G. Holahan,

attention, as necessary, on risk-informed licensing actions.		DSSA
3. Issue safety evaluation on North Anna 1/2 EDG AOT extension	8/98	O. Chopra, DE DSSA support
4. Create special reporting mechanism in WISP for risk-informed licensing actions to facilitate monitoring and tracking	9/98	J. Harold, DRPE
5. Issue Commission paper related to staff's evaluation of probabilistic assessment of "BWR Reactor Pressure Vessel Shell Weld Inspection Recommendations"	09/98	G. Carpenter, DE DSSA support
6. Issue safety evaluation on Oyster Creek proposal on EDG online testing	9/98	O. Chopra, DE DSSA support
7. Issue safety evaluation on San Onofre 2/3 EDG AOT extension	9/98	O. Chopra, DE DSSA support
8. Issue safety evaluation for ANO-2 H ₂ monitoring	9/98	M. Snodderly, DSSA
9. Issue safety evaluation on safety injection tank AOT extension for 6 CEQG facilities	11/98	E. Weiss, DSSA
10. Issue safety evaluation on Comanche Peak charging pump AOT extension	11/98	E. Weiss, DSSA
11. Issue safety evaluation on Pilgrim EDG AOT extension	12/98	O. Chopra, DE DSSA support
12. Issue relaxation on H ₂ monitoring for other plants	12/98	ADPR/DSSA

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Milestone	Date	Lead
13. Issue safety evaluation on Sequoyah proposal on EDG AOT extension	06/99	O. Chopra, DE DSSA support
14. Issue reliefs from augmented examination requirements for various licensees on BWR reactor pressure vessel circumferential welds	6/99	G. Carpenter, DE

15. Issue safety evaluation on Browns Ferry 2/3 proposal on EDG AOT extension	06/99	O. Chopra, DE DSSA support
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Comments:

7 and 8. RILP meetings required.

14. CRGR meeting needed in 10/98. Contingent upon receipt of relief requests from licensees

13-15. Dates to be evaluated during prioritization of risk-informed licensing actions.

I. TOPIC AREA: Risk-Informed and Performance-Based Regulation

SES Manager: Gary Holahan, Director, DSSA, NRR and Thomas King, Director, DST/RES

D. Specific Issue: Guidance Documents

Objective: To provide guidance for the staff and the industry which will enhance consistency and provide a infrastructure for use in risk-informed regulation.

PRIOR TO JANUARY 28, 1999		
Milestone	Date	Lead
1. NRC/Utility Workshop on Risk-Informed Regulation	07/98C	Completed 7/22/98
2. Communicate about process with Licensing counterparts from industry (NRC/Utility Licensing Workshop)	07/98C	Completed 7/20-21/98.
3. Issue ISI trial use RI RG/SRP to Commission	06/98C	RES S. Ali, DE
4a Complete review of second draft of Phase 1 PRA standard	8/98	M. Drouin, RES
4b. Paper to Commission on status of PRA standards development effort	10/98	M. Drouin, RES
4c. Phase 1 draft PRA standard submitted for ASME review and comment	11/98	M. Drouin, RES
4d. Phase 1 draft PRA standard issued for public comment	1/99	M. Drouin, RES
5. Revise NRR internal guidance to raise the priority of risk-informed licensing actions	09/98	D. Dorman, ADPR
6. Communicate revised priority to industry via PM/Licensing interaction	09/98	D. Dorman, ADPR
7. Communicate revised priority to industry via Administrative Letter	10/98	D. Dorman, ADPR
8. Issue NRR Office Letter on Implementation of Risk-Informed Regulation for use	10/98	G. Kelly, DSSA
9. Issue final GOA inspection procedure for use following implementation of South Texas GOA program	12/98	R. Gramm, DRCH
10. Integrate risk attributes into revised licensee performance assessment process	01/99	DISP P. Wilson,

		DSSA
Milestone	Date	Lead
11. Initiate work on Phase 2 PRA draft standard	1/99	M. Drouin, RES

THROUGH JUNE 30, 1999		
Milestone	Date	Lead
12. Phase 1 PRA standard comments received and final draft developed	4/99	M. Drouin, RES
13. Phase 1 PRA standard issued as final by ASME	6/99	M. Drouin, RES
14. Develop risk attributes for revising enforcement policies. Input to II.C.5.	early CY99	OE G. Kelly, DSSA

BEYOND JUNE 30, 1999		
Milestone	Date	Lead
15. First Phase 2 PRA standard developed	TBD	M. Drouin, RES
16. Completion of Phase 2 PRA standard	TBD	M. Drouin, RES

Comments:

2. Draft procedure due out 10/98 and training of NRC inspection staff will be completed in 6/99.

9. RILP meeting required.

10. ACRS & Commission review, industry workshop (09/98), and PRA Steering Committee meeting required.

14. ACRS & Commission review, a public workshop, and PRA Steering Committee meeting required.

5a-d, 11-13, 15,16. Phase 1 is a standard for full power operation, internal events only. Phase 2 is for external events and shutdown. Dates are tentative due to uncertainty associated with the number and nature of comments that may be received, the ASME review and approval process and the success of the working group in writing the Phase 2 standard. This is an ASME initiative and; therefore, the schedules are set by ASME.

II. Topic Area: Reactor Inspection and Enforcement

SES Manager: M. Johnson, Acting Chief, PIPB/DISP/NRR and J. Lieberman, Director, OE

A. Specific Issue: Risk Informed Baseline Core Inspection Program

Program Manager - Jeffrey Jacobson, NRR and John Flack, RES

Objective: To develop and implement a more risk informed, efficient, and effective baseline core inspection program. By risk informed, it is meant that the inspection program's scope will be defined primarily by those areas that are significant from a risk perspective and that the inspection methods used to assess these areas will take advantage of both generic and plant specific risk insights.

Coordination: Issues II.A. "Risk Informed Baseline Core Inspection Program," II.B. "Enforcement Program Initiatives," II.C. "Escalated Enforcement Program," III.A. "Performance Assessment Process Improvements," and VI.G "Event Reporting Rulemaking," require close coordination and the integration of specific tasks by the NRC staff. Responsible project managers are coordinating these activities by assessing the impact of proposed program changes with the other ongoing activities and ensuring that the overall objectives for each project are achieved. Examples include, intra-project task force participation, workshop attendance, concurrent review of projects and periodic senior management briefings. In addition, industry-developed initiatives such as the NEI New Regulatory Oversight Process are being reviewed by all project groups and evaluated for impact.

PRIOR TO JANUARY 28, 1999

Milestone	Date	Lead
1. Establish management oversight panel (performance assessment and risk informed inspection program)	9/98	C. Holden, DISP
2. Issue detailed plan and team charter	9/98	J. Jacobson, DISP
3. Brief Commission TA's	9/98	J. Jacobson, DISP
4. Select improvement team members	9/98	C. Holden, DISP J. Jacobson, DISP
5. Support NRR public workshop on soliciting input on approaches to risk-informed inspection (RES to present options at workshop).	9/28/98	J. Flack, RES
6. Solicit input from stakeholders on scope of inspection at regulatory assessment public workshop, coordinating with issue III.A.	9/28-10/1/98	J. Jacobson, DISP
7. Re-define core inspection program objectives based upon oversight concept	10/98	J. Jacobson, DISP
8. Draft boundary conditions for core inspection program changes	10/98	J. Jacobson, DISP
9. Develop guidance for assessing current core inspection program	10/98	J. Jacobson, DISP
10. Prepare draft recommendations on core inspection based on review of BWR and PWR PRA.	10/30/98	J. Flack, RES
11. Discuss with ACRS proposed scope and approach	11/15/98	J. Flack, RES
12. Research to provide insights on formulation of a risk informed inspection program	12/98	J. Flack, RES
13. Assess current program and propose changes	12/98	J. Jacobson, DISP
14. Brief Commission TA's	12/98	J. Jacobson, DISP
15. Communicate proposed changes to staff	12/98	C.

		Holden, DISP
16. Develop transition strategy	1/99	J. Jacobson, DISP C. Holden, DISP
17. Brief Commission on recommended program changes	1/99	J. Jacobson, DISP

THROUGH JUNE 30, 1999		
Milestone	Date	Lead
18. Begin making program changes and conduct training of staff	2/99	J. Jacobson, DISP
19. Begin implementation of new core inspection program	3/99	J. Jacobson, DISP

BEYOND JUNE 30, 1999		
Milestone	Date	Lead
20. Complete transition to risk informed core inspection program	10/99	J. Jacobson, DISP

Comments:

- The establishment of a management oversight panel will ensure timely guidance on policy issues both prior to and during the development of the process. The oversight panel will also help to ensure organizational alignment and buy-in on the new process. The panel should include representatives from key stakeholder groups within the agency, primarily NRR and the Regions.
- 3 and 14. Briefings of commission TA's will be conducted at key milestones to help ensure organizational buy-in of the completed process. Formal briefings of the full commission will be conducted as part of a comprehensive briefing on the overall assessment process. These full commission briefings are indicated on the action plan for Performance Assessment Process Improvements.
4. Improvement team members should include representatives from key internal stakeholder groups, primarily regional and resident inspectors.
6. The scope of the inspection program is scheduled to be discussed during the assessment process public workshop. During this workshop, feedback will be solicited from industry representatives as well as members of the general public. Also, the workshop results will be published and used to communicate to the staff the issues currently being considered in developing the new inspection program.
7. The inspection program objectives will be re-defined after agreement is reached on a redefined assessment process framework.
13. A team approach will be utilized in assessing the current program and proposing changes. Included within the team will be a representative from the Office of Research who will help in ensuring the new inspection program is risk informed.
15. An important part of the change management strategy for implementing the new inspection and assessment programs will be communication with the staff both during and after development.
16. "Change management" concerns should be addressed as part of developing the transition strategy.
18. Training to include overview of specific program changes as well as restatement of selected inspection fundamentals regarding interfaces with licensees.

Deferrals and Suspensions:

Upon Commission approval, the staff will suspend SALP in a structured manner. Plant performance will continue to be addressed by Plant Performance Reviews (PPRs). The resources to accommodate the accelerated efforts of the Tasking Memorandum pertaining to inspection, enforcement and performance assessment will be derived from a combination of those efforts planned previously in these areas, staff redirection over the next year, and the resources derived from suspension of the SALP process. The expectation is that by January, 1999 progress on the enhanced assessment process will be sufficient to determine whether the SALP process will be conducted in the future.

RES work assessing the effectiveness of the station blackout and anticipated transient without scram rules and generic safety issue A-45 (decay heat removal) will be deferred from 12/98 to 4/99.

II. Reactor Inspection and Enforcement

SES Manager: James Lieberman, Director, Office of Enforcement

B. Enforcement Program Initiatives

Issues/Lead Individual:

- 1) NRC-licensee documentation and disposition of non-risk significant violations
Mark Satorius
- 2) Severity Level IV violations
Mark Satorius
- 3) Industry Enforcement Process Proposals
Mark Satorius

Due to the manner that these three issues are linked, all are being considered under one Plan of Action.

Objective: Reduce licensee burdens associated with responding to non-risk significant violations (Issues Nos. 1 and 2) utilizing initial stakeholder inputs and proposals and soliciting stakeholder feedback following implementation of Enforcement Program changes (Issue No. 4), without losing the NRC's ability to detect licensee problems in a timely manner.

Coordination: Issues II.A. "Risk Informed Baseline Core Inspection Program," II.B. "Enforcement Program Initiatives," II.C. "Escalated Enforcement Program," III.A. "Performance Assessment Process Improvements," and VI.G "Event Reporting Rulemaking," require close coordination and the integration of specific tasks by the NRC staff. Responsible project managers are coordinating these activities by assessing the impact of proposed program changes with the other ongoing activities and ensuring that the overall objectives for each project are achieved. Examples include, intra-project task force participation, workshop attendance, concurrent review of projects and periodic senior management briefings. In addition, industry-developed initiatives such as the NEI New Regulatory Oversight Process are being reviewed by all project groups and evaluated for impact.

PRIOR TO JANUARY 28, 1999

Milestone	Date
1. Implement an Enforcement Guidance Memorandum (EGM) to clarify guidance under the existing Enforcement Policy that provides licensees incentives to self-identify and correct problems in order to avoid the issuance of notices of violations.	EGM issued on 7/27/98
2. Monitor the success of EGM 98-006 on lessening the burden to licensees by reducing the volume of Severity Level IV violations, including violations not cited and both those requiring and not requiring a response.	Begin 9/1/98 and continue
3. Conduct a public meeting with stakeholders to solicit input on the manner that the Enforcement Policy may be revised.	9/3/98
4. Utilize previously received written inputs from external stakeholders that provides positions on the manner that the objectives should be accomplished.	9/18/98
5. Submit a Commission Paper incorporating the views of internal and external stakeholders that provides the Commission several options (and the staff's recommendation) on the manner to achieve the objectives by proposing an Enforcement Policy change. This paper and the proposed changes will also address the agency's response to industry's concerns in the use of "regulatory significance."	10/16/98

6. Commission approves staff Enforcement Policy revision and the Revised Policy is published in the Federal Register, with the message to stakeholders that six months after implementation of the Revised Policy, public meeting/workshops will be held for stakeholder feedback.	11/16/98
7. Conduct Regional Enforcement Coordinator meeting/training on the Revised Enforcement Policy.	12/1/98
8. Conduct video conferencing with Regional managers to outline the changes to the Enforcement Policy and provide agency expectations.	Week of 12/7/98
9. Conduct training in the Regional offices, with a focus on agency expectations for the Revised Enforcement Policy. EDO/DEDE/DEDR provides senior management's expectations at the scheduled counterpart meetings attended by those individuals.	Late November- Early December 1998
10. Implement revised Enforcement Policy.	30-days after the Policy is published in the Federal Register (assume 12/16/98)
11. Evaluate inspection data to determine the extent of success that EGM 98-006 had in reducing burden to licensees. Provide this information to the Chairman for the Senate Hearing.	12/16/98, and update until the time of the hearing
12. Collect enforcement data following the implementation of the Revised Enforcement Policy, for later use in determining the success of the changes in accomplishing the objectives.	Begin 12/16/98, and continue

THROUGH JUNE 30, 1999

Milestone	Date
13. Solicit feedback from regional management, the inspection staff, and headquarters staff on the successes or failures of the Revised Enforcement Policy.	Spring 1999
14. Conduct public meetings/workshops with stakeholders, one in the Washington area and one in an area around a Region, to solicit feedback on the successes and shortcomings of the Revised Enforcement Policy.	6/16/99

BEYOND JUNE 30, 1999

Milestone	Date
15. Assemble the collective views of the staff and stakeholders to determine whether the Revised Enforcement Policy has accomplished the objectives, or whether further staff action is needed. Submit Commission paper.	9/1/99

II. Reactor Inspection and Enforcement

SES Manager: James Lieberman, Director, Office of Enforcement

C. Escalated Enforcement Program Initiatives - "Regulatory Significance"/Risk

Objective: Incorporate clearer risk-informed enforcement guidance in the treatment of escalated violations.

PRIOR TO JANUARY 28, 1999		
Milestone	Date	Lead
1. Conduct a public meeting with stakeholders to solicit input on the manner that risk should be incorporated into the Enforcement Policy	9/3/98	M. Satorius, OE
2. Submit a Commission Paper incorporating the views of internal and external stakeholders that provides the Commission several options (and the staff's recommendation) on the manner to achieve the objectives by proposing an Enforcement Policy change. This paper and the proposed changes will also address the agency's response to industry's concerns in the use of "regulatory significance."	10/16/98	M. Satorius, OE

THROUGH JUNE 30, 1999		
Milestone	Date	Lead
3. Develop risk-informed examples for inclusion in the supplements of the Enforcement Policy.	3/15/99	M. Satorius, OE
4. Discuss examples with stakeholders and solicit feedback	3/29/99	M. Satorius, OE
5. Submit a Commission Paper utilizing the input from issue I.D.14 and the examples developed above to revise the Enforcement Policy.	5/1/99	M. Satorius, OE

Comments:

2. Following Commission action on Milestone 2 the staff will proceed with the implementation actions discussed in Specific Issue II.B.

3-5 Input will be provided by NRR and RES.

III. Topic Area: Reactor Licensee Performance Assessment

SES Manager: M. Johnson, Acting Chief, PIPB/DISP/NRR

A. Specific Issue: Performance Assessment Process Improvements (IRAP, Industry's Proposal, and Performance Indicators)

Program Manager: David Gamberoni

Objective: The objective of this task is to develop and implement improvements to the NRC plant performance assessment process to make it more risk-informed, efficient, and effective while combining the best attributes of the IRAP effort, the regulatory oversight approach proposed by NEI, and the staff efforts designed to develop risk-informed performance indicators.

Coordination: Issues II.A. "Risk Informed Baseline Core Inspection Program," II.B. "Enforcement Program Initiatives," II.C. "Escalated Enforcement Program," III.A. "Performance Assessment Process Improvements," and VI.G "Event Reporting Rulemaking," require close coordination and the integration of specific tasks by the NRC staff. Responsible project managers are coordinating these activities by assessing the impact of proposed program changes with the other ongoing activities and ensuring that the overall objectives for each project are achieved. Examples include, intra-project task force participation, workshop attendance, concurrent review of projects and periodic senior management briefings. In addition, industry-developed initiatives such as the NEI New Regulatory Oversight Process are being reviewed by all project groups and evaluated for impact.

PRIOR TO JANUARY 28, 1999

Milestone	Date	Lead
1. Transition to an annual senior management meeting	C	J. Isom, DISP
2. Review and discuss with NEI their proposed assessment process	8/98C	D. Gamberoni, DISP
3. Suspend SALP upon Commission approval	TBD	D. Gamberoni, DISP
4. Hold public workshop to obtain external stakeholder input	9/98	T. Frye, DISP D. Gamberoni, DISP
5. Research to provide risk insights on oversight framework (corner stones)	9/98	M. Cunningham, RES
6. End of public comment period for performance assessment process improvement	10/6/98	T. Frye, DISP
7. Brief ACRS to obtain their input	10/98	M. Johnson, DISP
Milestone	Date	Lead
8. Brief Commission on results of public comments	10/98	M. Johnson, DISP
9. AEOD awards contract for risk-based performance indicator development.	11/98	T. Wolf, AEOD
10. Research to provide recommendations on formulation of a risk-informed assessment and inspection concept.	12/98	M. Cunningham, RES
11. Hold regional and headquarters meetings to obtain internal stakeholder input	11/98	M. Johnson, DISP
12. Brief Commission TAs	12/98	M. Johnson, DISP
13. Provide results of review of public comments and recommendation for changes to the assessment process to the Commission. Submit Commission paper.	1/99	M. Johnson, DISP
14. Brief Commission on recommendations	1/99	M. Johnson, DISP

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Milestone	Date	Lead
15. Obtain Commission approval for implementation of recommended changes	3/99	M. Johnson, DISP

16. Obtain Industry approval to make public the data used in Industry's proposed Indicators for monitoring plant performance. Begin phase out of current Performance Indicator Program.	6/99	T. Wolf, AEOD
17. Complete development of implementation plan. Start phase-in of the revised assessment process.	6/99	M. Johnson, DISP
18. Begin trial application of risk-based performance indicators.	6/99	T. Wolf, AEOD

BEYOND JUNE 30, 1999		
Milestone	Date	Lead
19. Complete trial application, brief Commission, and publish candidate risk-based indicators for public comment.	11/99	T. Wolf, AEOD
20. Publish last Performance Indicator Report using current PIs	1/00	T. Wolf, AEOD
21. Hold public workshop on candidate risk-based performance indicators.	2/00	T. Wolf, AEOD
22. Complete phase-in of the revised assessment process	6/00	M. Johnson, DISP
23. Brief commission on proposed risk-based performance indicators developed cooperatively by NRC and industry	10/00	T. Wolf, AEOD
24. Implement Commission approved risk-based performance indicators developed cooperatively by NRC and industry	1/01	T. Wolf, AEOD M. Johnson, DISP
25. Complete evaluation of implementation and effectiveness of the revised assessment process	6/01	M. Johnson, DISP

Comments:

- The public workshop is scheduled for September 28 - October 1, 1998.

Deferrals and Suspensions:

Upon Commission approval, the staff will suspend SALP in a structured manner. Plant performance will continue to be addressed by plant performance reviews (PPRs). The resources to accommodate the accelerated efforts of the Tasking Memorandum pertaining to inspection, enforcement and performance assessment will be derived from a combination of those efforts planned previously in these areas, staff redirection over the next year, and the resources derived from suspension of the SALP process. The expectation is that by January, 1999 progress on the enhanced assessment process will be sufficient to determine whether the SALP process will be conducted in the future.

The Agency intends to use the proposed Industry performance indicators in the assessment of plant performance to the maximum extent possible. Their impact on the regulatory process will depend on their ability to provide information needed to assure that key safety "cornerstones" are being met. A phased approach is envisioned wherein consensus on the "cornerstones" and the attributes of indicators will be reached. The proposed industry indicators will be used accordingly and the current NRC Performance Indicators will be phased out. In parallel, the agency will work with industry and other stakeholders to develop a more comprehensive set of risk-based performance indicators to more directly assess plant performance relative to the

"cornerstones". These risk-based indicators will be phased in as part of an evolutionary approach to increasing the risk-informed, performance based nature of regulation.

IV. Topic Area: Reactor Licensing and Oversight

SES Manager: Chris Grimes, Director, PDLR/DRPM/NRR

A. Specific Issue: License Renewal (includes Calvert Cliffs, Oconee and Generic Process Improvements)

Objective: Demonstrate that license renewal applications submitted under 10 CFR Parts 54 & 51 can be reviewed effectively, efficiently and promptly.

PRIOR TO JANUARY 28, 1999		
Milestone	Date	Lead
1. Maintain Calvert Cliffs and Oconee schedules	Ongoing	C. Grimes, DRPM
2. Conduct bi-monthly meetings with license renewal applicants	bimonthly	C. Grimes, DRPM
3. Issued Policy Statement "Conduct of Adjudicatory Proceedings" Issued 63 FR 41, 872 (8/5/98)	7/28/98C	OGC
4. Issued case specific order- Calvert Cliffs	8/19/98C	OGC
5. Steering Committee meeting with NEI Working Group	6/18/98C 8/20/98C	C. Grimes, DRPM
6. ACRS subcommittee meeting on renewal process	7/16/98C	C. Grimes, DRPM
7. Agree on generic issue inventory/priority with NEI	9/98	C. Grimes, DRPM
8. Increased emphasis on renewal with EC and LRSC	Ongoing	C. Grimes, DRPM
9. Staff complete technical RAIs - Calvert Cliffs	9/7/98	C. Grimes, DRPM
10. Staff complete environmental RAIs - Calvert Cliffs	10/7/98	C. Grimes, DRPM
11. Staff complete technical RAIs - Oconee	12/4/98	C. Grimes, DRPM
12. Staff complete environmental RAIs - Oconee	1/3/99	C. Grimes, DRPM

THROUGH JUNE 30, 1999		
Milestone	Date	Lead
13. Issue Draft Environmental Statement for comment - Calvert Cliffs	3/6/99	C. Grimes, DRPM
14. Complete Safety Evaluation Report (SER) and identify open items - Calvert Cliffs	3/21/99	C. Grimes, DRPM

Milestone	Date	Lead
15. Issue Draft Environmental Statement - Oconee	6/2/99	C. Grimes, DRPM
16. Complete SER and identify open items - Oconee	6/17/99	C. Grimes, DRPM

BEYOND JUNE 30, 1999		
Milestone	Date	Lead
17. Issue Supplemental SER and Final Environmental Statement - Calvert Cliffs	11/16/99	C. Grimes, DRPM
18. Issue Supplemental SER and Final Environmental Statement - Oconee	2/12/00	C. Grimes, DRPM
19. Complete staff review of initial applications within 30-36 months	Ongoing	C. Grimes, DRPM
20. Hearing (if request granted)	Per Comm. Sched.	

Comments:

1. Commission approves detailed license renewal schedules in terms of significant review milestones that will be included in the Operating Plan and monitored for Congressional reports.

6 & 7. Steering Committee meetings with industry and ACRS subcommittee meetings with staff will continue periodically to ensure effective resolution of technical and process issues. The Steering Committee will periodically report progress to the Executive Council in accordance with the memo to Chairman Jackson dated 3/6/98.

19. Next (third) application expected by late 1999.

IV. Topic Area: Reactor Licensing and Oversight

SES Manager: Jack Roe, Acting Director, DRPM/NRR

B. Specific Issue: 50.59 Rulemaking

Objective: To provide clarity and flexibility in existing requirements

PRIOR TO JANUARY 28, 1999		
Milestone	Date	Lead
1. Issue SECY 98-171 providing proposed revisions to 10CFR50.59 for Commission review and approval	7/10/98C	E. McKenna, DRPM
2. Issue COMSECY 98-013 forwarding staff response to issues raised in SRM on SECY 97-205 (3/24/98)	Complete	E. McKenna, DRPM
3. Conduct meeting with industry/public to solicit views on options for making 50.59 risk-informed	8/98	M. Drouin, RES
4. Issue proposed rule changes on 10CFR50.59 for public comment	8/98	E. McKenna, DRPM

5. Trial application of actual 50.59 test cases to assess options	10/98	M. Drouin, RES
6. ACRS Subcommittee Meeting	10/98	M. Drouin, RES
7. End of public comment period	11/98	E. McKenna, DRPM
8. Draft Options paper to ACRS	11/15/98	M. Drouin, RES
9. ACRS Full Committee	12/98	M. Drouin, RES
10. Report to NRR on options and recommendations	12/15/98	M. Drouin, RES
11. Resolve issues identified during comment period	1/99	E. McKenna, DRPM

THROUGH JUNE 30, 1999

Milestone	Date	Lead
12. ACRS and CRGR review of final rulemaking package	early 3/99	E. McKenna, DRPM
13. Issue paper containing final 10CFR50.59 rule to the Commission	3/99	E. McKenna, DRPM
14. Publish final rule change 10CFR50.59	6/99	E. McKenna, DRPM

Comments:

3, 5,6,8-10. RES assessing options and recommending approach to make 50.59 risk-informed.

4. Paper on proposed rule at the Commission awaiting approval. NMSS/SFPO is working in conjunction with NRR to modify 10 CFR 72.48 which is comparable to 10 CFR 50.59 (Contact: W. Kane)

4 and 7,11-14. These milestones reflect delays in previously established schedules to reflect the deliberations occurring at the Commission on policy issues. Any further delays in getting the rule published for comment will result in additional delays in publishing the final rule.

Deferrals:

The start of RES work on low power and shutdown risk will be deferred from 10/98 to 1/99.

IV. Topic Area: Reactor Licensing and Oversight

SES Manager: Dave Matthews, Deputy Director, DRPM, NRR

C. Specific Issue: FSAR Update Guidance

Objective: To provide consistent guidance on information to be contained in FSAR

PRIOR TO JANUARY 28, 1999

Milestone	Date	Lead
1. Submit SECY 98-087 to Commission which contains proposed guidance on information to be contained in FSAR	4/20/98C	T. Bergman, DRPM

2. SRM/SECY 98-087 directs staff to work with industry to resolve issues and endorse industry guidance	6/30/98C	T. Bergman, DRPM
3. Issue staff comments on NEI 98-03 dated 7/8/98	8/28/98	T. Bergman, DRPM
4. Receive revised NEI 98-03	early Oct. 1998	T. Bergman, DRPM
5. Resolve final staff comments	early Nov. 1998	T. Bergman, DRPM
6. ACRS and CRGR review of SECY and draft regulatory guide which endorses industry guidance	early Nov. 1998	T. Bergman, DRPM
7. Submit paper with draft regulatory guide to Commission	12/24/98	T. Bergman, DRPM
8. Publish draft regulatory guide endorsing NEI 98-03 for comment (60 days)	1/28/99	T. Bergman, DRPM

THROUGH JUNE 30, 1999

Milestone	Date	Lead
9. Resolve issues identified during public comment period	5/30/99	T. Bergman, DRPM
10. ACRS and CRGR review of SECY and final regulatory guide	early June 1999	T. Bergman, DRPM

BEYOND JUNE 30, 1999

Milestone	Date	Lead
11. Submit paper and final regulatory guide to Commission	8/1/99	T. Bergman, DRPM

Comments:

1. If closure can be reached with NEI, a regulatory guide will be the product; if not, a generic letter will be used.
2. Regarding Milestone No. 4, a meeting is planned for late August or early September.

IV. Topic Area: Reactor Licensing and Oversight

SES Manager: Dave Matthews, Deputy Director, DRPM/NRR

D. Specific Issue: Define Design Basis

Objective: To provide a clear definition of what constitutes design bases information.

PRIOR TO JANUARY 28, 1999

Milestone	Date	Lead
1. NEI submits 97-04 for information	10/8/97C	
2. SRM/SECY 97-205 directs staff to continue to develop guidance regarding design bases issues	3/24/98C	S. Magruder, DRPM

3. Issue preliminary staff comments on NEI 97-04	8/18/98C	S. Magruder, DRPM
4. Meet with NEI to discuss staff comments on NEI 97-04	early Sept. 1998	S. Magruder, DRPM
5. NEI submits revised NEI 97-04 for review and endorsement	early Dec. 1998	
6. Resolve final staff comments	late Jan. 1999	S. Magruder, DRPM

THROUGH JUNE 30, 1999		
Milestone	Date	Lead
7. ACRS and CRGR review of SECY and draft regulatory guide that endorses NEI 97-04	early Feb. 1999	S. Magruder, DRPM
8. Submit paper with draft regulatory guide to Commission	2/19/99	S. Magruder, DRPM
9. Publish draft regulatory guide for public comment (60 days)	3/19/99	S. Magruder, DRPM

BEYOND JUNE 30, 1999		
Milestone	Date	Lead
10. Resolve issues identified during public comment period	7/19/99	S. Magruder, DRPM
11. ACRS and CRGR review of paper and final regulatory guide	early Aug. 1999	S. Magruder, DRPM
12. Submit paper and final regulatory guide that endorses NEI 97-04 to Commission	10/1/99	S. Magruder, DRPM

Comments:

5. Schedule depends on NEI reaction to staff comments and willingness to submit NEI 97-04 for staff endorsement.

IV. Topic Area: Reactor Licensing and Oversight

SES Manager: Bruce Boger, Acting Associate Director for Projects, NRR

E. Specific Issue: Improved Standard TS

Lead: TSB Lead PM for each facility conversion

Objective: Conversion of facility technical specifications to the appropriate improved standard technical specifications will promote more consistent interpretation and application of technical specification requirements, thereby reducing the need for interpretations and frequent changes to the technical specifications. The goal for each milestone listed below is to complete the conversions currently under review such that the above objectives are met for the affected facilities.

PRIOR TO JANUARY 28, 1999

Milestone	Date	Lead
Issue iSTS Amendments for McGuire 1&2 and Catawba 1&2	09/98	ADPR
Issue iSTS Amendments for Oconee 1/2/3*	10/98	ADPR
Issue iSTS Amendments for Byron 1&2* and Braidwood 1&2*	11/98	ADPR
Issue iSTS Amendments for Comanche Peak 1&2*, Wolf Creek*, Callaway*, and Diablo Canyon 1&2*	12/98	ADPR

THROUGH JUNE 30, 1999*

Milestone	Date	Lead
Issue iSTS Amendments for Farley 1&2*	03/99	ADPR
Issue iSTS Amendment for Fermi 2*	04/99	ADPR

BEYOND JUNE 30, 1999*

Milestone	Date	Lead
Issue iSTS Amendment for Palisades*	07/99	ADPR

* - Completion of the milestones as listed depends upon the quality of the licensee's submittals and timeliness of response to staff RAIs.

IV. Topic Area: Reactor Licensing and Oversight

SES Manager: John Stolz, Acting Director, DRPM/NRR

F. Specific Issue: Generic Communications

Objective: Ensure the appropriate use of generic communications, increasing the efficiency of issuance, and utilizing the rulemaking process when appropriate.

PRIOR TO JANUARY 28, 1999

Milestone	Date	Lead
1. Issue memorandum on immediate changes to generic letter process (ET review of strategy; graded approach)	8/7/98C	J. Stolz, DRPM
2. Meet with NEI for input on industry views on generic communications	8/27/98	J. Stolz, DRPM
3. Complete self assessment and needed improvement to generic communications process. Issue report.	12/98	R. Dennig, DRPM

THROUGH JUNE 30, 1999

Milestone	Date	Lead
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**Process improvements based upon self-assessment results completed in 12/98

BEYOND JUNE 30, 1999

Milestone	Date	Lead
None		

Comments:

1. Generic communications discussed with INPO in telephone conference 7/31/98

IV. Topic Area: Reactor Licensing and Oversight

SES Manager: Bruce Boger, Acting Associate Director for Projects, NRR

G. Specific Issue: CALs

Objective: Confirmatory Action Letters (CALs) are issued to emphasize and confirm a licensee's or vendor's agreement to take certain actions in response to specific issues. The NRC expects licensees/vendors to adhere to any obligations and commitments addressed in a CAL and will issue appropriate orders to ensure that the obligations and commitments are met. The goal of the milestones listed below is to ensure that staff guidance on the use of CALs is appropriate and that the staff exercises appropriate discipline in the development and issuance of CALs.

PRIOR TO JANUARY 28, 1999

Milestone	Date	Lead
1. Review existing CALs (all future CALs must be reviewed by Director, NRR)	9/98	ADPR
2. Reinforce expectations regarding use of current CALs to ADPR/Region management	9/98	D. Pickett, ADPR
3. Review/issue revised guidance documents for threshold for issuance of CALs (i.e., IMC 0350, procedures, etc.) to ensure the existence of clear criteria for consistent decision making.	11/98	D. Pickett, ADPR
4. Reinforce expectations regarding revised guidance on use of CALs to ADPR/Region management	11/98	D. Pickett, ADPR

IV. Topic Area: Reactor Licensing and Oversight

SES Manager: Jack Roe, Acting Director, DRPM/NRR

H. Specific Issue: Applicability of Backfit Rule to Decommissioning Activities

Objective: Resolve issue regarding proper interpretation and application of the Backfit Rule to decommissioning activities

PRIOR TO JANUARY 28, 1999

Milestone	Date	Lead
1. Issue initial determination on Maine Yankee backfit claim	4/21/98C	J. Roe, DRPM
2. Maine Yankee appeals backfit determination and presents backfit position to	6/9/98C	S. Weiss, DRPM

staff		
3. Determination of Maine Yankee backfit appeal	8/28/98	J. Zwolinski, DRPE
4. Brief EDO on the status of Commission paper on backfit rule	9/18/98	S. Weiss, DRPM
5. Forward draft Commission paper on backfit rule to EDO	10/23/98	S. Weiss, DRPM
6. Issue Commission paper on backfit rule	11/30/98	S. Weiss, DRPM
7. Brief NEI on Commission decision	12/31/98	S. Weiss, DRPM

THROUGH JUNE 30, 1999		
Milestone	Date	Lead
None		

BEYOND JUNE 30, 1999		
Milestone	Date	Lead
None		

IV. Topic Area: Reactor Licensing and Oversight

SES Manager: Brian Sheron, Acting Associate Director for Technical Review, NRR

I. Specific Issue: Requests for Additional Information

Objective: To refine/define RAI process and ensure that staff RAI's are adding value to the regulatory process.

PRIOR TO JANUARY 28, 1999		
Milestone	Date	Lead
1. Discuss issue of ensuring appropriateness of RAI's with management and staff (including content, quality and continued oversight)	Complete	B. Sheron, ADT
2. Issue guidance to staff on content, quality and threshold of RAI's and commencement of initial acceptance review.	12/98	S. Peterson, ADT RES, NMSS
3. Monitor outgoing RAIs and responses	Ongoing	B. Sheron, ADT RES, NMSS
4. Solicit feedback from licensee's on RAIs	Periodic	ADPR/ B.

IV. Topic Area: Reactor Licensing and Oversight

SES Manager: Bruce Boger, Acting Associate Director for Projects, NRR

J. Specific Issue: 2.206 Petitions

Objective: The objectives of the 2.206 Petition review process include ensuring the public health and safety through the prompt and thorough evaluation of any potential safety problem addressed by a petition filed under 10 CFR 2.206 and to ensure effective, timely communication with the petitioner (Management Directive 8.11). The objective of the actions listed below is to identify and implement measures to improve the timeliness of staff response to petitions.

PRIOR TO JANUARY 28, 1999		
Milestone	Date	Lead
1. Establish a Petition Review Board to ensure management involvement early in the process	10/97C	R. Subbaratnam, ADPR
2. Establish public availability of monthly 2.206 Petition Status Reports at the NRC Web site (/about-nrc/regulatory/enforcement/petition.html)	04/98C	R. Subbaratnam, ADPR
3. Assess timeliness of resolution of 2.206 petitions and brief EDO on the results and any proposed process improvements	10/30/98	R. Subbaratnam, ADPR
4. Implement proposed 2.206 process improvements (if any)	12/98	R. Subbaratnam, ADPR

THROUGH JUNE 30, 1999		
Milestone	Date	Lead
5. Show measured improvement in timeliness of resolution of 2.206 petitions	03/99	R. Subbaratnam, ADPR

V. Topic Area: NRC Organizational Structure and Resources

SES MANAGER: Paul E. Bird, Director, HR

A. Specific Issue: Reorganization - Restructuring Line Organizations

Lead Manager: James F. McDermott, Deputy Director, HR

Objective: To improve organizational effectiveness and determine resources required to carry out NRC activities through internal functional realignments and human resource reallocations.

PRIOR TO JANUARY 28, 1999	
Milestone	Date

1. Offices initiate plans for proposed restructuring	8/19/98
2. All Employees Meeting	9/3/98
3. Restructuring proposals submitted to Commission	9/30/98
4. Completion of Commission review of restructuring proposal	10/28/98
5. Partnering process completed for reorganization packages	11/28/98
6. Reorganization plans finalized	12/31/98
7. Implementation begins	1/19/99

THROUGH JUNE 30, 1999	
Milestone	Date
8. Implementation completed	3/31/99

V. Topic Area: NRC Organizational Structure and Resources

SES MANAGER: Paul E. Bird, Director, HR

B. Specific Issue: Achieving 1:8 supervisor/manager-to-employee ratios

Lead Manager: James F. McDermott, Deputy Director, HR

Objective: To reduce supervisory and SES positions to achieve an agency-wide supervisor/manager-to-employee ratio target of one supervisor/manager for every eight NRC employees.

PRIOR TO JANUARY 28, 1999	
Milestone	Date
1. Continue existing supervisor/manager-to-employee ratio reduction efforts	Ongoing
2. All Employees Meeting	9/3/98
3. Quarterly assessment of supervisor/manager-to-employee ratio	10/98
4. Develop targeted strategies to achieve supervisory ratio goals	10/98
5. Year end assessment of supervisor/manager-to-employee ratio incorporating the results of attrition, including the effect of early outs or buy outs (should buyouts be authorized by Congress)	1/99

THROUGH JUNE 30, 1999	
Milestone	Date
6. Complete implementation of reorganizations developed to achieve streamlining goals	3/31/99
7. Implement strategies to achieve supervisory ratio targets	3/31/99
8. Quarterly assessment of supervisor/manager-to-employee ratio	4/99

BEYOND JUNE 30, 1999

Milestone	Date
10. Quarterly assessment of supervisor/manager-to-employee ratio	7/99
11. Implement strategies to achieve supervisory ratio targets	7/15/99

Comments:

The milestones in the table above focus only on those aspects of the streamlining effort that address the supervisor/manager-to-employee ratio. Activity extends beyond the March 31, 1999, deadline established for the structural changes contained in issue 1 since the human resources side of the effort are the most complex and difficult aspects of the overall reorganization to implement.

V. Topic Area: NRC Organizational Structure and Resources

SES MANAGER: Paul E. Bird, Director, HR

C. Specific Issue: Increased staff responsibilities

Lead Manager: Individual Office and Regional managers

Objective: To enhance organizational effectiveness under the specific conditions imposed by the agency-wide streamlining effort, including functional realignments, reductions in supervisory/managerial personnel, and increased spans of management control by delegating greater responsibility and accountability to individual employees and fostering greater interactive communications between employees and management. Issue 3 builds on existing efforts to increase staff responsibilities using these same techniques.

PRIOR TO JANUARY 28, 1999

Milestone	Date
1. Continue previous general efforts to foster delegations of responsibility and accountability to employees and more interactive communications between employees and managers. Monitor office progress	Ongoing
2. All employees meeting	9/3/98
3. Provide guidance to managers on the need to consider greater use of delegations of responsibility and accountability to employees.	9/30/98
4. Begin implementing delegations of responsibility and accountability as techniques to enhance agency effectiveness on an office-by office basis	1/19/99

THROUGH JUNE 30, 1999

Milestone	Date
5. Continue implementation of delegations of responsibility and accountability as individual office reorganizations are completed and implemented	3/31/99

Comments:

The milestones for this issue establish a logical time period for beginning the local office process of employee delegations/empowerment planning and a logical point at which the local office environment should be transformed to a new culture.

VI. Topic Area: Other Agency Programs and Areas of Focus

SLS: Robert Wood, DRPM/NRR

A. Specific Issue: License Transfers

Objective: To ensure that license transfers are conducted in a timely and technically correct manner and that review and submittal guidance is appropriately disseminated.

PRIOR TO JANUARY 28, 1999		
Milestone	Date	Lead
1. Issued proposed 10CFR Part 2 Subpart M hearing process - paper to Commission (SECY 98-197)	8/14/98C	OGC
2. Publish proposed rule on license transfer (see SECY-98-197)	8/28/98	OGC
3. Publish final rule on license transfer	11/98	OGC
4. Complete technical review of TMI-1 transfer	See comment	R. Wood, DRPM

THROUGH JUNE 30, 1999		
Milestone	Date	Lead
5. Provide Commission with proposed final criteria for triggering a review under 10CFR50.80 regarding the transfer of operating authority to non-owner operators (i.e., use of contract service operating companies).	6/18/99	R. Wood, DRPM
6. Issue lessons learned from Amergen TMI-1 transfer	6/99	R. Wood, DRPM

BEYOND JUNE 30, 1999		
Milestone	Date	Lead
7. Issue process improvement re: foreign ownership	12/99	OGC R. Wood, DRPM
8. Develop SRP on technical qualifications	12/99	DRCH
9. Develop SRP on license transfer process	TBD	OGC R. Wood, DRPM

Comments:

4. Submittal + 3 months

B. Specific Issue: AP-600 FDA

Objective: Issue FDA

PRIOR TO JANUARY 28, 1999		
Milestone	Date	Lead
1. Issue FDA	9/4/98	T. Quay, DRPM

THROUGH JUNE 30, 1999		
Milestone	Date	Lead
None		

BEYOND JUNE 30, 1999		
Milestone	Date	Lead
None		

VI. Topic Area: Other Agency Programs and Areas of Focus

SES Manager: William F. Kane, Director, Spent Fuel Project Office

C1. Specific Issue: TN-68 (Dual Purpose) Cask Review

- Ongoing technical review Mary Jane Ross-Lee

Objective: To issue a Part 72 (storage) SER and certificate of compliance (through rulemaking) and a Part 71 (transportation) certificate of compliance for the TN-68 dual purpose cask system (Comment 1)

PRIOR TO JANUARY 28, 1999	
Milestone	Date
1. Staff receives response to storage RAI	09/98
2. Staff issues second storage RAI, if necessary	12/98
3. Staff receives response to second storage RAI	01/99

THROUGH JUNE 30, 1999	
Milestone	Date
4. Staff issues user need memorandum/rulemaking	03/99
5. Staff issues draft SER and CoC for rulemaking	05/99

BEYOND JUNE 30, 1999

Milestone	Date
6. Staff completes rulemaking; issues CoC for use under Part 72	04/00

Comment:

1. The storage review is being completed prior to the transportation review; the transportation review schedule will be determined at a subsequent time. The review schedule is based upon the assumption that the applicant will supplement its application and response to staff requests for additional information on the schedule noted. At this time, no significant issues have been identified. The licensee for Peach Bottom 1 & 2 intends to utilize this cask system.

VI. Topic Area: Other Agency Programs and Areas of Focus

SES Manager: William F. Kane, Director, Spent Fuel Project Office

C2. Specific Issue: BNFL/SNC TranStor (Dual Purpose) Cask Review

- Ongoing technical review T. Kobetz

Objective: To issue a Part 72 (storage) SER and certificate of compliance (through rulemaking) and a Part 71 (transportation) certificate of compliance for the BNFL/SNC dual purpose cask system (Comment 1)

PRIOR TO JANUARY 28, 1999

Milestone	Date
1. Staff issues user need memorandum/rulemaking	11/98

THROUGH JUNE 30, 1999

Milestone	Date
2. Staff receives updated SAR from applicant	02/99
3. Staff issues draft SER and CoC for rulemaking	03/99

BEYOND JUNE 30, 1999

Milestone	Date
4. Staff completes rulemaking; issues CoC for use under Part 72	02/00

Comment:

1. The storage review is being completed prior to the transportation review; the transportation review schedule will be determined at a subsequent time. At this time, no significant issues have been identified, but the applicant must update the safety analysis report by February 1999. This review is associated with the Part 72 Trojan ISFSI (site-specific) license application, PFS, LLC intends to utilize this cask system as well.

VI. Topic Area: Other Agency Programs and Areas of Focus

SES Manager: William F. Kane, Director, Spent Fuel Project Office

C3. Specific Issue: Holtec HISTAR 100 (Dual-Purpose) Cask Review

- Technical review ongoing M. Delligatti

Objective: To issue a Part 72 (storage) SER and certificate of compliance (through rulemaking) and a Part 71 (transportation) certificate of compliance for the Holtec HISTAR 100 dual purpose cask system (Comment 1)

PRIOR TO JANUARY 28, 1999	
Milestone	Date
1. Staff issues user need memorandum/rulemaking	08/98
2. Staff issues draft storage SER and CoC for rulemaking (Part 72)	09/98

THROUGH JUNE 30, 1999	
Milestone	Date
3. Staff issues transportation (Part 71) CoC	03/99

BEYOND JUNE 30, 1999	
Milestone	Date
4. Staff completes rulemaking; issues CoC for use under Part 72	08/99

Comment:

1. While the final review phase is ongoing and nearing completion, it is still unclear regarding the scope of the staff's approval on the storage component of the design. This review is being performed to support spent fuel storage requirements at Dresden 1 and Hatch 1 & 2, and PFS, LLC intends to utilize this cask system.

VI. Topic Area: Other Agency Programs and Areas of Focus

SES Manager: William F. Kane, Director, Spent Fuel Project Office

C4. Specific Issue: Westinghouse WESFLEX (Dual Purpose) Cask Review

- Ongoing technical review M. Bailey

Objective: To issue a Part 72 (storage) SER and certificate of compliance (through rulemaking) and a Part 71 (transportation) certificate of compliance for the Westinghouse WESFLEX dual purpose cask system (Comment 1)

PRIOR TO JANUARY 28, 1999	
Milestone	Date
1. Staff issues RAI for base storage system and W21 canister	10/98
2. Staff issues RAI for W44 canister	11/98
3. Staff issues RAI for W74 canister	12/98

THROUGH JUNE 30, 1999	
Milestone	Date

BEYOND JUNE 30, 1999

Milestone	Date
5. Staff issues final RAI, if necessary	07/99
6. Staff receives response to RAI, if necessary	10/99
7. Staff issues user need memorandum/rulemaking	12/99
8. Staff issues draft SER and CoC for rulemaking	01/00
9. Staff complete rulemaking; issues CoC for use under Part 72	12/00

Comment:

1. The storage review is being completed prior to the transportation review. The transportation application was resubmitted in May 1998, and the transportation review schedule will be determined at a subsequent time. The storage review has just commenced, and at this time, no significant issues have been identified. Big Rock Point and Palisades intend to utilize this cask system.

VI. Topic Area: Other Agency Programs and Areas of Focus

SES Manager: William F. Kane, Director, Spent Fuel Project Office

C5. Specific Issue: NAC-STC/MPC (Dual Purpose) Cask Review

- Ongoing technical review T. McGinty

Objective: To issue a Part 72 (storage) SER and certificate of compliance (through rulemaking) and a Part 71 (transportation) certificate of compliance for the NAC-STC/MPC dual purpose cask system (Comment 1)

PRIOR TO JANUARY 28, 1999

Milestone	Date
1. Staff receives response on transport RAI	08/98
2. Staff receives response on storage RAI	10/98
3. Staff issues user need memorandum/rulemaking	12/98

THROUGH JUNE 30, 1999

Milestone	Date
4. Staff issues Part 71 (transportation) CoC	04/99
5. Staff issues draft storage SER and CoC for rulemaking	04/99

BEYOND JUNE 30, 1999

Milestone	Date
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Comment:

1. The storage and transportation review are being conducted concurrently. At this time, no significant issues have been identified, but the applicant must respond by the time-frame noted in order for the staff to maintain this schedule. The licensee for Yankee/Rowe intends to utilize this cask system.

VI. Topic Area: Other Agency Programs and Areas of Focus

SES Manager: William F. Kane, Director, Spent Fuel Project Office

C6. Specific Issue: NAC-UMS (Dual Purpose) Cask Review

- Ongoing technical review T. McGinty

Objective: To issue a Part 72 (storage) SER and certificate of compliance (through rulemaking) and a Part 71 (transportation) certificate of compliance for the NAC-UMS dual purpose cask system (Comment 1)

PRIOR TO JANUARY 28, 1999

Milestone	Date
1. Staff issues storage RAI	11/98
2. Staff receives RAI response	01/99

THROUGH JUNE 30, 1999

Milestone	Date
3. Staff issues second storage RAI, if necessary	06/99

BEYOND JUNE 30, 1999

Milestone	Date
4. Staff receives second storage RAI response	08/99
5. Staff issues user need memorandum/rulemaking	08/99
6. Staff issues draft storage SER and CoC for rulemaking	11/99
7. Staff completes rulemaking; issues CoC for use under Part 72	10/00

Comment:

1. The storage review is being completed prior to the transportation review; the transportation review schedule will be determined at a subsequent time. At this time, no significant issues have been identified, but applicant must respond by the time-frame noted in order for the staff to maintain this schedule. The licensees for Fitzpatrick and Palo Verde 1, 2 & 3 intend to utilize this cask system.

VI. Topic Area: Other Agency Programs and Areas of Focus

SES Manager: William F. Kane, Director, Spent Fuel Project Office

C7. Specific Issue: TN-West MP-187 (Dual-Purpose) Cask Review

- Issue Part 71 certificate of compliance M. Raddatz

Objective: To issue Part 71 (transportation) certificate of compliance for MP-187 transportation cask system

PRIOR TO JANUARY 28, 1999	
Milestone	Date
1. Staff starts final review and SER compilation phase	08/98
2. Staff issues Part 71 certificate of compliance (Comment 1)	09/98

THROUGH JUNE 30, 1999	
Milestone	Date
None	

BEYOND JUNE 30, 1999	
Milestone	Date
None	

Comment:

1. This transportation system is the transport component of the TN-West NUHOMS storage design. As initially certified, its authorized contents will be limited to B&W fuel, although it may be amended at a later date to address other fuel types. This action supports the decommissioning of the Rancho Seco spent fuel pool.

VI. Topic Area: Other Agency Programs and Areas of Focus

SES Manager: Seymour Weiss, Director, PDND/DRPM/NRR

D. Specific Issue: Decommissioning Decisions

Objective: Provide timely decisions on current issues and provide framework for decommissioning activities.

PRIOR TO JANUARY 28, 1999		
Milestone	Date	Lead
1. Provide response to SRM for SECY 98-075 (DSI-24)	10/09/98	M. Masnik, DRPM
1a. Form task team to develop and provide input for Commission paper	7/24/98C	T. Markley, DRPM
1b. Evaluate applicability of using templates for decommissioning licensing actions	8/21/98	P. Harris, DRPM
1c. Develop integrated set of milestones for addressing decommissioning initiatives under development or contemplated	8/21/98	R. Dudley,

		DRPM
1d. Complete draft Commission paper for concurrence	9/2/98	T. Markley, DRPM
1e. Submit paper to Commission	10/9/98	T. Markley, DRPM
2. Meeting with NEI and industry to present Commission integrated milestones for decommissioning initiatives necessary for above rules and for existing rules	1/15/99	S. Weiss, DRPM

THROUGH JUNE 30, 1999		
Milestone	Date	Lead
None		

Comments:

- Schedules are based on meeting established Commission due dates for DSI-24 SRM response.

VI. Topic Area: Other Agency Programs and Areas of Focus

SES Manager: Susan F. Shankman, Dep. Director, Licensing and Inspection Directorate, SFPO

E. Specific Issue: PGE-Trojan Reactor Vessel Shipment Application

- Part 71 exemption (SER and EA) J. Cook
- Waste classification, if necessary J. Hickey

Objective: To issue Part 71 (transportation) approval to ship the Trojan reactor vessel, with internals, for disposal in the State of Washington

PRIOR TO JANUARY 28, 1999		
Milestone	Date	Lead
1. Staff prepares SER for Part 71 approval	09/98	
2. Staff prepares EA	09/98	
3. Staff waste classification, if necessary (separate SECY paper)	09/98	
4. Staff prepares SECY paper on transportation and FONSI	10/98	
5. Commission issues SRM on Part 71 exemption (Comment 1)	10/98	
6. Staff issues Part 71 decision	11/98	

THROUGH JUNE 30, 1999	
Milestone	Date

None

BEYOND JUNE 30, 1999

Milestone	Date
7. Inspection follow-up prior to and during shipment (Comment 2)	08/99

Comments:

1. In parallel to staff action: (1) the State of Washington must prepare a technical evaluation for disposal, tentatively scheduled for September 1998; (2) the Department of Transportation must grant an exemption, tentatively scheduled for November 1998; and (3) the State of Oregon must approve this as a change to the utility's Decommissioning Plan, tentatively scheduled for November 1998.

2. PGE's decision to grout the reactor vessel is scheduled to occur in November 1998. The actual grouting would commence in December 1998, and vessel shipment would occur in August 1999. Staff actions at these points would be to inspect as appropriate.

VI. Topic Area: Other Agency Programs and Areas of Focus

SES Manager: John Stolz, Chief, PCB/DRPM/NRR

G. Specific Issue: Event Reporting Rulemaking

Objective: Revise event reporting requirements to reduce the reporting burden associated with events of little or no risk significance, obtain information better related to risk, and extend reporting time limits consistent with the need for prompt NRC action.

Coordination: Issues II.A. "Risk Informed Baseline Core Inspection Program," II.B. "Enforcement Program Initiatives," II.C. "Escalated Enforcement Program," III.A. "Performance Assessment Process Improvements," and VI.G "Event Reporting Rulemaking," require close coordination and the integration of specific tasks by the NRC staff. Responsible project managers are coordinating these activities by assessing the impact of proposed program changes with the other ongoing activities and ensuring that the overall objectives for each project are achieved. Examples include, intra-project task force participation, workshop attendance, concurrent review of projects and periodic senior management briefings. In addition, industry-developed initiatives such as the NEI New Regulatory Oversight Process are being reviewed by all project groups and evaluated for impact.

PRIOR TO JANUARY 28, 1999

Milestone	Date	Lead
1. Issue ANPR	7/28/98C	D. Allison, AEOD
2. Conduct public meeting to discuss ANPR	8/21/98	D. Allison, AEOD
3. Public workshop/stakeholder meeting (Chicago)	9/1/98	T. Essig, DRPM

THROUGH JUNE 30, 1999

Milestone	Date	Lead
4. Publish proposed rule (10CFR50.72 and 50.73)	4/2/99	DRPM

BEYOND JUNE 30, 1999

Milestone	Date	Lead
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Milestone	Date	Lead
5. Publish Final rule	1/00	DRPM

VI. Topic Area: Other Agency Programs and Areas of Focus

SES Manager: Jack Roe, Acting Director, DRPM/NRR

H. Specific Issue: Proposed KI Rulemaking

Objective: To implement Commission decision regarding the use of KI as a protective measure for the general public after a severe reactor accident. In addition, to work with other Federal agencies to revise the Federal policy on the use of KI in the event of a severe nuclear power plant emergency and to develop aids to assist the states in applying the revised Federal policy.

PRIOR TO JANUARY 28, 1999		
Milestone	Date	Lead
1. Commission direction received	6/26/98C	A. Mohseni, AEOD/IRD
2. Draft and send to Commission Federal Register notice on Federal KI policy	7/98C	A. Mohseni, AEOD/IRD
3. Revise KI technical paper (NUREG-1633) to address public comments and provide to Commission	10/98	A. Mohseni, AEOD/IRD
4. Revise KI Federal Policy FR notice and provide to FRPCC for review	11/98	A. Mohseni, AEOD/IRD
5. Publish proposed rule	11/30/98	T. Essig, DRPM
6 Publish final technical paper (NUREG-1633)	12/98	A. Mohseni, AEOD/IRD
7. Develop description of available Federal KI stockpiles and availability to states	1/99	A. Mohseni, AEOD/IRD
8. Develop final KI Federal Policy FR notice reflecting FRPCC review and send to Commission	1/99	A. Mohseni, AEOD/IRD
9. Draft a public brochure on use of KI and provide for Federal agency and public comment	1/99	A. Mohseni, AEOD/IRD

THROUGH JUNE 30, 1999		
Milestone	Date	Lead
10. Final review of KI Federal Policy FR notice by FRPCC	4/99	A. Mohseni, AEOD/IRD
11. Establish procedures to access Federal stockpiles with FEMA	5/99	A. Mohseni, AEOD/IRD
12. Publish KI Federal Policy FR notice	6/99	A. Mohseni, AEOD/IRD
13. Final public brochure on use of KI provided to Commission for review	6/99	A. Mohseni, AEOD/IRD
14. Publish final rule	TBD	T. Essig, DRPM

BEYOND JUNE 30, 1999

Milestone	Date	Lead
15. Finalize the public brochure on use of KI and provide to FEMA for publication.	8/99	A. Mohseni, AEOD/IRD

Comments:

2-8 The schedule requires approximately one full time FTE and the impact on development and maintenance of the response program was not assessed.

3. Contingent on completion of Commission review by 9/30/98

4. This assumes that only a moderate number of public comments are received and all the comments can be addressed without further research.

VI. Topic Area: Other Agency Programs and Areas of Focus

SES Manager: Brian Sheron, Acting Associate Director for Technical Review, NRR

I. Specific Issue: NEI Petitions - Petition for modifying 50.54(a)

Objective: Complete the NEI Petition, accepting in part to modify 10 CFR Part 50.54(a), as it pertains to Quality Assurance Program Change Control and is intended to reduce burdens on industry.

PRIOR TO JANUARY 28, 1999		
Milestone	Date	Lead
1. Submit to the Commission a SECY Paper accepting the NEI Petition in part to modify 50.54(a)	10/98	R. Gramm, DRCH
2. Decision by the Commission to accept the staff proposal.	12/98	R. Gramm, DRCH

THROUGH JUNE 30, 1999		
Milestone	Date	Lead
3. Publication of a Federal Register Notice to accept in part the NEI petition for rulemaking.	02/99	R. Gramm, DRCH

Comments:

1&2. These milestones are expected to **impact** the staff's efforts for timely completion of vendor/contractor inspections in FY98 and 99. Budgeted FY99 resources will require redirection depending on the final Commission decision. Commission decision to accept the staff proposal is expected by 12/98.

VI. Topic Area: Other Agency Programs and Areas of Focus

SES Manager: Jack Roe, Acting Director, DRPM/NRR

J. Specific Issue: Revised Source Term Rulemaking

Objective: To revise Part 50 to allow holders of operating power reactor licences to voluntarily amend the facility design basis to use revised source terms in design basis accident radiological analyses. This action would allow these facilities to pursue risk-informed licensing actions made possible through the use of the revised source term.

PRIOR TO JANUARY 28, 1999

Milestone	Date	Lead
1.Commission approval of rulemaking plan (submitted 6/30/98)	Pending	C. Miller, DRPM
2.Complete proposed rule package	10/98	C. Miller, DRPM
3.Office concurrence of proposed rule package	11/98	C. Miller, DRPM
4.ACRS review of proposed rule	11/98	C. Miller, DRPM
5.CRGR concurrence of proposed rule	12/98	C. Miller, DRPM
6.Proposed rule package to EDO	12/98	C. Miller, DRPM
7.Submit proposed rule package to Commission	12/15/98	C. Miller, DRPM
8.Publish in Federal Register	1/99	C. Miller, DRPM

THROUGH JUNE 30, 1999		
Milestone	Date	Lead
9.Complete draft guide; draft SRP section	5/99	C. Miller, DRPM
10.End of Public Comment Period	4/99	C. Miller, DRPM
11.Office concurrence on final rule; draft guide; draft SRP	6/99	C. Miller, DRPM

BEYOND JUNE 30, 1999		
Milestone	Date	Lead
12.ACRS review	7/99	C. Miller, DRPM
13.CRGR review	7/99	C. Miller, DRPM
14.Final rule; draft guide; draft SRP to EDO	7/99	C. Miller, DRPM
15.Final rule; draft guide; draft SRP to Commission	7/30/99	C. Miller, DRPM
15a. Publish Final Rule and draft guide	9/10/99	C. Miller, DRPM
16.End of public comment period	11/99	C. Miller, DRPM
17.Office concurrence on final guide; final SRP	12/99	C. Miller, DRPM
18.ACRS review on final guide; final SRP	12/99	C. Miller, DRPM
19.CRGR concurrence on final guide; final SRP	1/00	C. Miller, DRPM
20.Final guide; final SRP to EDO	1/00	C. Miller, DRPM
21.Final guide; final SRP to Commission	1/24/00	C. Miller, DRPM

Meetings with ACRS and CRGR would be expected to occur in conjunction with the scheduled reviews.

The staff is working with NEI to schedule a status meeting in early October 1998. The staff expects to conduct additional meetings as the need arises. There is currently no planning for a workshop. Such a workshop may be appropriate once the staff has issued the final rule, the draft guide, and the draft SRP.